

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7849**

**BILL NUMBER:** HB 1551

**NOTE PREPARED:** Feb 20, 2007

**BILL AMENDED:** Feb 19, 2007

**SUBJECT:** Campaign Finance.

**FIRST AUTHOR:** Rep. Avery

**FIRST SPONSOR:** Sen. C. Lawson

**BILL STATUS:** As Passed House

**FUNDS AFFECTED:** ☒ **GENERAL**  
☒ **DEDICATED**  
☐ **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) *Political Contributions*- The bill provides that the Governor, Lieutenant Governor, Secretary of State, Auditor of State, Treasurer of State, Superintendent of Public Instruction, Attorney General, and the candidate's committee of an individual who holds any of these offices may not solicit or accept campaign contributions from the first session day in January of an odd-numbered year through the day the General Assembly adjourns sine die in an odd-numbered year.

*Class A Misdemeanor*- The bill provides that a person who knowingly or intentionally authorizes, finances, sponsors, or participates in the preparation, distribution, or broadcast of paid political advertising or campaign material that uses a servicemark, trademark, or other proprietary symbol without the express written consent of the owner of the proprietary symbol commits a Class A misdemeanor.

**Effective Date:** July 1, 2007.

**Explanation of State Expenditures:**

**Explanation of State Revenues:** *Political Contributions*- The bill applies prohibitions on political contributions to an individual who holds state office other than a judicial office. Violations under this section are punishable by a civil penalty of two times the contribution received or \$1,000 plus investigations costs.

(Revised) *Class A Misdemeanor*- If additional court cases occur and fines are collected, revenue to both the Common School Fund (from fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class A misdemeanor is \$5,000. However, any additional revenue would likely be small.

**Explanation of Local Expenditures:** (Revised) *Class A Misdemeanor*- A Class A misdemeanor is punishable by up to one year in jail.

**Explanation of Local Revenues:** (Revised) *Class A Misdemeanor*- If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from court fees. However, any change in revenue would likely be small.

**State Agencies Affected:** Election Commission.

**Local Agencies Affected:** Trial courts, local law enforcement agencies.

**Information Sources:**

**Fiscal Analyst:** Chris Baker, 317-232-9851.